

[English]

**Impact of foreign and Private Sector In Power Sector**

**7050. SHRIMATISUSEELAGOPALAN:** Will the Minister of POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether the Government have carried out any study to assess the long term impact on encouraging private capital in power sector granting minimum dividends on the electricity tariffs in the country;

(b) whether any assessment of its effect on the cost of investment efficiency in power generation and distribution has been made;

(c) if so, the anticipated rise in the cost of investment per MW and in tariffs as a result thereof; and

(d) if not, how the Government granted 16 per cent profit to the private sector for investing in the power sector?

THE MINISTER OF STATE OF THE MINISTRY OF POWER AND NON-CONVENTIONAL ENERGY SOURCES (SHRI KALP NATH RAI): (a) to (d). While laying down the normative parameters for fixation of tariff for sale of electricity from generating stations, to be established in future, Government have, keeping in mind the need to encourage additional investment in the power sector, prescribed 16 per cent as reasonable return on investment. Since the notification issued in this behalf takes into account a number of determinants and efficiency parameters, the increase in tariff attributable of the reasonable return will not be detrimental

to the interests of the consumers. It will also have no tangible impact on cost of investment in generation and distribution.

[Translation]

**Purchasing of Items by Bhopal Telecom District**

**7051. SHRI SHIVRAJ SINGH CHAUHAN:** Will the Minister of COMMUNICATIONS be pleased to state:

(a) when coir to make block-hooks, teak wood for telephone poles and PVC pipes for fitting of lines were purchased by the Bhopal Telecom District in Madhya Pradesh;

(b) whether the tenders were invited for this purpose;

(c) whether the Government have received complaints with regard to the purchase of the said items; and

(d) if so, the action taken against defaulters?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMUNICATIONS (SHRI P.V. RANGAYYA NAIDU): (a) The coir to make block-hooks and teak wood for telephone poles have not been purchased.

Only PVC pipes 3/4 "and 1" are being purchased since 01.07.91 till date in Bhopal Telecom District in M.P.

(b) Yes, Sir.

(c) No, Sir.

(d) In view of (c) question does not arise.